

#### § 14.53

the completion of the project when the SF-270 is used only for advances.

(ii) The DoC shall prescribe whether the report shall be on a cash or accrual basis. If the DoC requires accrual information and the recipient's accounting records are not normally kept on the accrual basis, the recipient shall not be required to convert its accounting system, but shall develop such accrual information through best estimates based on an analysis of the documentation on hand.

(iii) The DoC shall determine the frequency of the Financial Status Report for each project or program, considering the size and complexity of the particular project or program. However, the report shall not be required more frequently than quarterly or less frequently than annually. A final report shall be required at the completion of the agreement.

(iv) The DoC shall require recipients to submit the SF-269 or SF-269A (an original and no more than two copies) no later than 30 days after the end of each specified reporting period for quarterly and semi-annual reports, and 90 calendar days for annual and final reports. Extensions of reporting due dates may be approved by the Grants Officer upon request of the recipient.

(2) SF-272, Report of Federal Cash Transactions.

(i) When funds are advanced to recipients the DoC shall require each recipient to submit the SF-272 and, when necessary, its continuation sheet, SF-272a. The DoC shall use this report to monitor funds advanced to recipients and to obtain disbursement information for each agreement with the recipients.

(ii) The DoC may require forecasts of Federal funds requirements in the "Remarks" section of the report.

(iii) When practical and deemed necessary, the DoC may require recipients to report in the "Remarks" section the amount of advances received in excess of three days. Recipients shall provide short narrative explanations of actions taken to reduce the excess balances.

(iv) Recipients shall be required to submit not more than the original and two copies of the SF-272 15 calendar days following the end of each quarter. The Grants Officer may require a

#### 15 CFR Subtitle A (1-1-02 Edition)

monthly report from those recipients receiving advances totaling \$1 million or more per year.

(v) The Grants Officer may waive the requirement for submission of the SF-272 for any one of the following reasons:

(A) When monthly advances do not exceed \$25,000 per recipient, provided that such advances are monitored through other forms contained in this section;

(B) If, in the Grants Officer's opinion, the recipient's accounting controls are adequate to minimize excessive Federal advances; or

(C) When the electronic payment mechanisms provide adequate data.

(b) When the DoC needs additional information or more frequent reports, the following shall be observed:

(1) When additional information is needed to comply with legislative requirements, the Grants Officer shall issue instructions to require recipients to submit such information under the "Remarks" section of the reports.

(2) When the DoC determines that a recipient's accounting system does not meet the standards in §14.21, additional pertinent information to further monitor awards may be obtained upon written notice to the recipient until such time as the system is brought up to standard. The DoC, in obtaining this information, shall comply with report clearance requirements of 5 CFR part 1320.

(3) Grants Officers are encouraged to shade out any line item on any report if not necessary.

(4) The DoC may accept the identical information from the recipients in machine readable format or computer printouts or electronic outputs in lieu of prescribed formats.

(5) The DoC may provide computer or electronic outputs to recipients when such expedites or contributes to the accuracy of reporting.

#### § 14.53 Retention and access requirements for records.

(a) This section sets forth requirements for record retention and access to records for awards to recipients. The DoC shall not impose any other record retention or access requirements upon recipients.

(b) Financial records, supporting documents, statistical records, and all other records pertinent to an award shall be retained for a period of three years from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, as authorized by the DoC. The only exceptions are the following:

(1) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved and final action taken.

(2) Records for real property and equipment acquired with Federal funds shall be retained for 3 years after final disposition.

(3) When records are transferred to or maintained by the DoC, the 3-year retention requirement is not applicable to the recipient.

(4) Indirect cost rate proposals, cost allocations plans, etc. as specified in paragraph (g) of this section.

(c) Copies of original records may be substituted for the original records if authorized by the DoC.

(d) The Grants Officer after coordination with the DoC operating unit shall request transfer of certain records to its custody from recipients when it determines that the records possess long term retention value. However, in order to avoid duplicate recordkeeping, a DoC operating unit or Grants Officer may make arrangements for recipients to retain any records that are continuously needed for joint use.

(e) The DoC, the Inspector General, Comptroller General of the United States, or any of their duly authorized representatives, have the right of timely and unrestricted access to any books, documents, papers, or other records of recipients that are pertinent to the awards, in order to make audits, examinations, excerpts, transcripts and copies of such documents. This right also includes timely and reasonable access to a recipient's personnel for the purpose of interview and discussion related to such documents. The rights of access in this paragraph are not lim-

ited to the required retention period, but shall last as long as records are retained.

(f) Unless required by statute, no DoC operating unit shall place restrictions on recipients that limit public access to the records of recipients that are pertinent to an award, except when the DoC operating unit can demonstrate that such records shall be kept confidential and would have been exempted from disclosure pursuant to the Freedom of Information Act (5 U.S.C. 552) if the records had belonged to the DoC operating unit.

(g) Paragraphs (g)(1) and (g)(2) of this section apply to the following types of documents, and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).

(1) If the recipient submits to the Federal awarding agency responsible for negotiating the recipient's indirect cost rate or the subrecipient submits to the recipient the proposal, plan, or other computation to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts on the date of such submission.

(2) If the recipient is not required to submit to the cognizant Federal awarding agency or the subrecipient is not required to submit to the recipient the proposal, plan, or other computation for negotiation purposes, then the 3-year retention period for the proposal, plan, or other computation and its supporting records starts at the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

#### TERMINATION AND ENFORCEMENT

##### § 14.60 Purpose of termination and enforcement.

Sections 14.61 and 14.62 set forth uniform suspension, termination and enforcement procedures.